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8 UNITED STATES DISTRICT COURT
9 WESTERN DISTRICT OF WASHINGTON
10 SEATTLE DIVISION
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12 SECURITIES AND EXCHANGE COMMISSION, No. 2:17-cv-01344

13 Plaintiff,

14 v.

15 BRETT KENNEDY, MAZIAR REZAKHANI, and
16 SAM SADEGHI,

17 Defendants.
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~~PROPOSED~~ FINAL JUDGMENT AS TO
DEFENDANT SAM SADEGHI

20 The Securities and Exchange Commission having filed a Complaint and Defendant Sam
21 Sadeghi ("Sadeghi" or "Defendant") having entered a general appearance; consented to the
22 Court's jurisdiction over Defendant and the subject matter of this action; consented to entry of
23 this Final Judgment without admitting or denying the allegations of the Complaint (except as to
24 jurisdiction and except as otherwise provided herein in paragraph IV); waived findings of fact
25 and conclusions of law; and waived any right to appeal from this Final Judgment:

26 I.

27 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is
28 permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the

1 Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5
2 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or instrumentality of
3 interstate commerce, or of the mails, or of any facility of any national securities exchange, in
4 connection with the purchase or sale of any security:

5 (a) to employ any device, scheme, or artifice to defraud;

6 (b) to make any untrue statement of a material fact or to omit to state a material fact
7 necessary in order to make the statements made, in the light of the circumstances
8 under which they were made, not misleading; or

9 (c) to engage in any act, practice, or course of business which operates or would
10 operate as a fraud or deceit upon any person.

11 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in
12 Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who
13 receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant's
14 officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or
15 participation with Defendant or with anyone described in (a).

16 II.

17 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
18 is liable for disgorgement of \$11,599.74, representing profits gained as a result of the conduct
19 alleged in the Complaint, together with prejudgment interest thereon in the amount of \$1,015.39,
20 and a civil penalty in the amount of \$11,599.74 pursuant to Section 21A of the Exchange Act.
21 Defendant shall satisfy this obligation by paying \$24,214.87 to the Securities and Exchange
22 Commission pursuant to the terms of the payment schedule set forth in paragraph III below after
23 entry of this Final Judgment.

24 Defendant may transmit payment electronically to the Commission, which will provide
25 detailed ACH transfer/Fedwire instructions upon request. Payment may also be made directly
26 from a bank account via Pay.gov through the SEC website at
27 <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified check, bank
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1 cashier's check, or United States postal money order payable to the Securities and Exchange
2 Commission, which shall be delivered or mailed to

3 Enterprise Services Center

4 Accounts Receivable Branch

5 6500 South MacArthur Boulevard

6 Oklahoma City, OK 73169

7 and shall be accompanied by a letter identifying the case title, civil action number, and name of
8 this Court; Sadeghi's name as a defendant in this action; and specifying that payment is made
9 pursuant to this Final Judgment.

10 Defendant shall simultaneously transmit photocopies of evidence of payment and case
11 identifying information to the Commission's counsel in this action. By making this payment,
12 Defendant relinquishes all legal and equitable right, title, and interest in such funds and no part
13 of the funds shall be returned to Defendant. The Commission shall send the funds paid pursuant
14 to this Final Judgment to the United States Treasury.

15 The Commission may enforce the Court's judgment for disgorgement and prejudgment
16 interest by moving for civil contempt (and/or through other collection procedures authorized by
17 law) at any time after 14 days following entry of this Final Judgment. Defendant shall pay post
18 judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961.

19 III.

20 Sadeghi shall pay the total of disgorgement, prejudgment interest, and penalty due of
21 \$24,214.87 in 3 installments to the Commission according to the following schedule:
22 (1) \$5,000.00, within 14 days of entry of this Final Judgment; (2) \$9,607.44, within 6 months of
23 entry of this Final Judgment; and (3) \$9,607.43 within 364 days of entry of this Final Judgment.
24 Payments shall be deemed made on the date they are received by the Commission and shall be
25 applied first to post judgment interest, which accrues pursuant to 28 U.S.C. § 1961 on any
26 unpaid amounts due after 14 days of the entry of Final Judgment. Prior to making the final
27 payment set forth herein, Sadeghi shall contact the staff of the Commission for the amount due
28 for the final payment.

1 If Sadeghi fails to make any payment by the date agreed and/or in the amount agreed
2 according to the schedule set forth above, all outstanding payments under this Final Judgment,
3 including post judgment interest, minus any payments made, shall become due and payable
4 immediately at the discretion of the staff of the Commission without further application to the
5 Court.

6 IV.

7 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is
8 incorporated herein with the same force and effect as if fully set forth herein, and that Defendant
9 shall comply with all of the undertakings and agreements set forth therein.

10 V.

11 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for purposes of
12 exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. § 523, the
13 allegations in the complaint are true and admitted by Defendant, and further, any debt for
14 disgorgement, prejudgment interest, civil penalty or other amounts due by Defendant under this
15 Final Judgment or any other judgment, order, consent order, decree or settlement agreement
16 entered in connection with this proceeding, is a debt for the violation by Defendant of the federal
17 securities laws or any regulation or order issued under such laws, as set forth in Section
18 523(a)(19) of the Bankruptcy Code, 11 U.S.C. § 523(a)(19).

19 VI.

20 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain
21 jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.

22 VII.

23 There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil
24 Procedure, the Clerk is ordered to enter this Final Judgment forthwith and without further notice.

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26 Dated this 10th day of September, 2017.

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28 
UNITED STATES DISTRICT JUDGE

1 Presented by:

2 /s/ Sallie S. Kim

3 Sallie S. Kim (Conditionally Admitted Pursuant to LCR 83.1(c)(2))

4 Securities and Exchange Commission

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6 San Francisco, California 94104

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10 *Attorney for Plaintiff Securities and Exchange Commission*

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